MORITT HOCK & HAMROFF LLP

James P. Chou
Ted A. Berkowitz
Danielle J. Marlow
1407 Broadway - 39<sup>th</sup> Floor
New York, New York, 10018
Telephone: (212) 239-2000

Facsimile: (212) 239-7277

Special Conflicts Counsel to the Official Committee of Unsecured Creditors of Sears Holdings Corporation, et al.

## UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

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In re:	:	Chapter 11
SEARS HOLDINGS CORPORATION, et al.,	:	Case No. 18-23538 (RDD)
Debtors. <sup>1</sup>	:	(Jointly Administered)
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# ELEVENTH MONTHLY FEE STATEMENT OF MORITT HOCK & HAMROFF LLP FOR PROFESSIONAL SERVICES RENDERED AND DISBURSEMENTS INCURRED AS SPECIAL CONFLICTS COUNSEL FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE PERIOD OF FEBRUARY 1, 2021 THROUGH FEBRUARY 28, 2021

<sup>&</sup>lt;sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

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Name of Applicant: Moritt Hock & Hamroff LLP

Authorized to Provide Professional

Services To:

The Official Committee of Unsecured

Creditors of Sears Heldings Commercian

Creditors of Sears Holdings Corporation

Date of Retention: April 30, 2020, nunc pro tunc to

February 2, 2020

Period for Which Compensation and

Reimbursement Is Sought: February 1, 2021 through February 28, 2021

Monthly Fees Incurred: \$6,280.00

20% Holdback: \$1,256.00

Total Compensation Less 20% Holdback: \$5,024.00

Monthly Expenses Incurred: \$ 70.00

Total Fees and Expenses Requested: \$5,094.00

This is a  $\underline{X}$  monthly interim final application

Moritt Hock & Hamroff LLP ("Moritt Hock"), special conflicts counsel for the Official Committee of Unsecured Creditors (the "Creditors' Committee") of Sears Holdings Corporation and its affiliated debtors and debtors in possession (collectively, the "Debtors"), hereby submits this statement of fees and disbursements (the "Eleventh Monthly Fee Statement") covering the period February 1, 2021 through February 28, 2021 (the "Compensation Period"), in accordance with the Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses and Retained Professionals (the "Interim Compensation Order") [Docket No. 769]. By the Eleventh Monthly Fee Statement, Moritt Hock requests (a) interim allowance and payment of compensation in the amount of \$5,024.00 (80% of \$6,280.00) for fees on account of reasonable and necessary professional services rendered to the Creditors' Committee by Moritt Hock; and

(b) reimbursement of actual and necessary costs and expenses in the amount of \$70.00 incurred by Moritt Hock during the Compensation Period.

## FEES FOR SERVICES RENDERED DURING THE COMPENSATION PERIOD

**Exhibit A** sets forth a timekeeper summary that includes the respective names, positions, department, bar admissions, hourly billing rates and aggregate hours spent by each Moritt Hock professional and paraprofessional that provided services to the Creditors' Committee during the Compensation Period. The rates charged by Moritt Hock for services rendered to the Creditors' Committee are the same rates that Moritt Hock charges generally for professional services rendered to its non-bankruptcy clients.

**Exhibit B** sets forth a task code summary that includes the aggregate hours per task code spent by Moritt Hock professionals and paraprofessionals in rendering services to the Creditors' Committee during the Compensation Period.

**Exhibit C** sets forth a complete itemization of tasks performed by Moritt Hock professionals and paraprofessionals that provided services to the Creditors' Committee during the Compensation Period.

## EXPENSES INCURRED DURING THE COMPENSATION PERIOD

**Exhibit D** sets forth a disbursement summary that includes the aggregate expenses, organized by general disbursement categories, incurred by Moritt Hock in connection with services rendered to the Creditor's Committee during the Compensation Period.

**Exhibit E** sets forth a complete itemization of disbursements incurred by Moritt Hock in connection with the services rendered to the Creditors' Committee during the Compensation Period.

#### **NOTICE AND OBJECTION PROCEDURES**

Notice of this Eleventh Monthly Fee Statement shall be given by hand or overnight delivery or email where available upon (i) Sears Holdings Corporation, 3333 Beverly Road, Hoffman Illinois 60179, Estates, Attention: Moshin Y. Meghji (email: mmeghji@miiipartners.com); (ii) counsel to Debtors, Weil, Gotshal & Manges LLP, 767 Eleventh Avenue. New York. NY 10153, Attention: Ray C. Schrock (email: ray.schrock@weil.com), Jacqueline Marcus (email: jacqueline.marcus@weil.com), Garrett A. Fail (email: garrett.fail@weil.com), and Sunny Singh (email: sunny.singh@weil.com); (iii) counsel to the Creditors' Committee, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attention: Ira S. Dizengoff (email: idizengoff@akingump.com), Philip C. Dublin (email: pdublin@akingump.com), and Sara L. Brauner (sbrauner@akingump.com); (iv) William K. Harrington, the United States Trustee, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, NY 1014, Attention: Paul Schwartzberg (email: paul.schwartzberg@usdoj.gov) and Richard Morrissey (email: richard.morrissey@usdoj.gov); (v) counsel to Bank of America, N.A., Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, New York, NY 10036, Attention: Paul D. Leake (email: paul.leake@skadden.com), Shana A. Elberg (email: shana.elberg@skadden.com), and George R. Howard (email: george.howard@skadden.com); (vi) Paul E. Harner, fee examiner, 1675 Broadway, New York, NY 10019 (email: harnerp@ballardspahr.com); and (vii) counsel to the fee examiner, Ballard Spahr LLP, 1675 Broadway, New York, NY 10019, Attention: Vincent J. Marriott (email: marriott@ballardspahr.com) and Tobey M. Daluz (email: daluzt@ballardspahr.com) (collectively, the "Notice Parties").

Objections to this Eleventh Monthly Statement Fee, if any, must be filed with the Court and served upon the Notice Parties so as to be received no later than April 8, 2021 (the

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"Objection Deadline"), setting forth the nature of the objection and the amount of fees or

expenses at issue (an "Objection").

If no objections to this Eleventh Monthly Fee Statement are filed and served as set forth

above, the Debtors shall promptly pay eighty percent (80%) of the fees and one hundred percent

(100%) of the expenses identified herein.

If an objection to this Eleventh Monthly Fee Statement is received on or before the

Objection Deadline, the Debtors shall withhold payment of that portion of the Eleventh Monthly

Fee Statement to which the objection is directed and promptly pay the remainder of the fees and

disbursements in the percentages set forth above. To the extent such an objection is not resolved,

it shall be preserved and scheduled for consideration at the next interim fee application hearing

to be held by the Court.

Dated: New York, New York

March 24, 2021

MORITT HOCK & HAMROFF LLP

By:

/s/ James P. Chou

James P. Chou

Ted A. Berkowitz

Danielle J. Marlow

1407 Broadway

**Suite 3900** 

New York, New York 10018

Telephone: (212) 239-2000

Facsimile: (212) 239-7277

jchou@moritthock.com

tberkowitz@moritthock.com

dmarlow@moritthock.com

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#### **EXHIBIT A**

#### **Timekeeper Summary**

PARTNERS	DEPARTMENT	YEAR OF BAR ADMISSION	RATE	HOURS	AMOUNT
James P. Chou	Litigation	1997 (NY) 1996 (NJ)	\$615	.40	\$246.00
Theresa A. Driscoll	Restructuring/ Bankruptcy	2000	\$575	6.50	\$3,737.50
Danielle J. Marlow	Litigation	1997	\$565	2.50	\$1,412.50
Total Partner				9.40	\$5,396.00
PARALEGALS					
Victoria Jankowski	Litigation	N/A	\$260	3.40	\$884.00
Total Paralegal				3.40	\$884.00
Total Hours/ Fees Requested				12.80	\$6,280.00

ALL PROFESSIONALS	BLENDED RATE (\$)	TOTAL BILLED HOURS	TOTAL COMPENSATION
Partners and Counsel	\$585	9.40	\$5,396.00
Associates	\$0.00	0.00	\$0.00
Paralegals/ Non-Legal Staff	\$260	3.40	\$884.00
Blended Timekeeper Rate	\$503.75		
<b>Total Fees Incurred</b>			\$6,280.00

#### **EXHIBIT B**

#### **Task Code Summary**

Task Code	Matter	Hours	Value
B110	Case Administration	0.50	\$ 130.00
B120	Asset Analysis and Recovery	1.90	\$1,073.50
B160	Fee/ Employment Applications	10.40	\$5,076.50
	Total:	12.80	\$6,280.00

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#### **EXHIBIT C**

**Itemized Fees** 



### INVOICE DATED MARCH 2021 File # N-1944.001 Re: Sears Bankruptcy

	File # N-1944.001 Re: Sears Bankruptcy	Tools	
Date Prof 2/8/2021 JPC	Narrative Attention to emails re: fee app for ordinary course professionals; email to T. Driscoll and T. Berkowitz re: same.	Task Code B160	<b>Units</b> 0.20
2/9/2021 VJ	Emails with Accounting for payment history and outstanding balances; forward copies of First and Second Fee Applications and Order granting First Fee Application and Statement of Account to TAD.	B160	0.50
2/9/2021 TAD	Review fee examiner correspondence and proposed fee order (.50); review inquiry re: additional payments received after fee application filed (.20); analysis re: same, including breakdown of estate and litigation trust portion (1.2); review monthly fee statements covering fee app and fee re: fee numbers and confirm fee order amounts (.50).	B160	2.40
2/9/2021 TAD	Correspond with Weil Gotshal re: fee order.	B160	0.10
2/11/2021 DJM	Review and analysis in connection with ASK questions regarding BNY production.	B120	0.50
2/11/2021 VJ	Review time records and prepare Tenth Fee Statement (1.3); forward to JPC for review (.10).	B160	1.40
2/12/2021 VJ	Discuss submission of Fee Application information to Fee Examiner with TAD.	B160	0.30
2/12/2021 TAD	Review emails re: fee examiner questions and responses circulated (.60); review and discuss same with V. Jankowski (.30); emails with Ted Berkowitz re: same (.10).	B160	1.00
2/12/2021 JPC	Review monthly fee statement and comment on same.	B160	0.20
2/16/2021 VJ	Finalize and efile Tenth Monthly Fee Statement (.50); email copy to all Noticed parties (.10); calendar Objection date (.10)	B160	0.70
2/18/2021 DJM	Response to queries from ASK and Akin Gump	B120	0.50
2/22/2021 DJM	Respond to queries from ASK LLP (.30), review of Goldman Sachs production in connection with same (.60)	B120	0.90
2/23/2021 DJM	Call with T. Driscoll in preparation for court hearing.	B120	0.60
2/23/2021 VJ	Register TAD for hearing through Court Solutions.	B110	0.20
2/23/2021 TAD	Multiple emails with J. Chou, V. Jankowski re: hearing on Second Interim Fee Application (.30); call with D. Marlow re: litigation services during Second Interim Fee Period (.60).	B160	0.90
2/23/2021 TAD	Review hearing agenda re: fee hearing and review fee examiner report (.70); review Second Interim Fee Application and proposed fee order in preparation for fee hearing (.70).	B160	1.40
2/23/2021 TAD	Attend hearing on Second Interim Fee Application.	B160	0.70
2/24/2021 VJ	Review court's docket for entered Order on compensation and download and forward to JPC, TAD and TAB.	B110	0.30
			12.80

#### **EXHIBIT D**

#### **Disbursement Summary**

Disbursement Activity	Amount
Court Appearance – Court Solutions	\$70.00
Total	\$70.00

# EXHIBIT E Itemized Disbursements

DATE	DESCRIPTION	VALUE
02/23/2021	T. Driscoll Court Appearance for Fee Application Hearing	\$70.00
	through Court Solutions	
	TOTAL	\$70.00